ONE HUNDRED FOURTEENTH CONGRESS

## Congress of the United States

#### House of Representatives

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COMMITTEE ON ENERGY AND COMMERCE 2125 RAYBURN HOUSE OFFICE BUILDING WASHINGTON, DC 20515-6115

> Majority (202) 225-2927 Minority (202) 225-3641

February 5, 2016

The Honorable Tom Wheeler Federal Communications Commission 445 12th Street, S.W. Washington, DC 20554

#### Dear Chairman Wheeler:

The Communications Act requires the FCC to assess and report on the state of broadband deployment, the level of video competition, and the level of effective competition in the nation's mobile wireless market. Since 2011, it appears that the Commission has applied inconsistent definitions and analyses in making those determinations. Those reports have then been used to justify Commission actions to intervene in seemingly competitive markets. Despite the plain language of the Communications Act, the FCC's actions seem to benefit specific classes of competitors and do not promote competition. This behavior concerns us.

In the Telecommunications Act of 1996, Congress directed the FCC to study and report annually on the availability of "advanced telecommunications services." Specifically, Section 706(b) requires the FCC to conduct an annual inquiry concerning the availability of "advanced telecommunications services" and determine whether such services are being deployed to all Americans in "a reasonable and timely fashion." Congress has also directed the FCC – in the event the FCC concludes that advanced telecommunications services are not being deployed in a reasonable and timely fashion to all Americans – to take immediate action to accelerate deployment "by removing barriers to infrastructure investment and by promoting competition in the telecommunications market (emphasis added)." The plain language of Section 706 clearly states that the FCC should rely on the private sector to spur deployment – and that the FCC should help incent private investment by removing barriers and promoting competition.

Prior to 2010, the FCC had found in its Section 706 reports that broadband deployment overall was reasonable and timely, although much work still needed to be done to promote deployment for all Americans. Yet in a 2010 party-line vote, the Commission changed its definition and raised the threshold speeds for what services qualify as broadband. As a direct

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result of its new definition, the FCC concluded that broadband was not being deployed in a reasonable and timely fashion.

Under your leadership, the FCC did the same thing in January 2015 when it adopted the 2015 Broadband Progress Report. This time, the agency increased the minimum speed for broadband six-fold – from 4 Mbps downstream and 1 Mbps upstream to 25 Mbps downstream and 3 Mbps upstream. Immediately, systems that were considered broadband during the period of the report, were now excluded from being counted. Not surprisingly given the newly minted definition of broadband, the FCC concluded on a party-line vote that broadband was not being deployed in a reasonable and timely fashion.

This new definition of broadband gave Americans three different flavors of Internet access: dial-up, broadband over 25 Mbps, and other Internet access that is not broadband by the FCC's definition. This construction proved quickly inconvenient for the agency and lead to yet another definition of broadband to suit the Commission's regulatory ends. Rather than rely on the 25/3 Mbps standard adopted in January, the FCC chose an amorphous, subjective definition of broadband to regulate a broader set of services under its February 2015 *Open Internet Order*.

Instead of uniformity of definition, the Commission has instead made broadband speed a variable in the regulatory equation. This represents the latest in series of troubling actions that distort – or outright ignore – the FCC's requirements to produce honest, data-driven reports to inform policymakers and the public.

For example, the FCC is required by law to report annually on the state of competition in the wireless market. Starting in 2010, the agency determined that it was too difficult to define effective competition in the mobile wireless market, and stopped making any competitive determination at all. Last month, the agency again failed to determine whether the wireless market is effectively competitive. In fact, recent studies show that 80% of Americans have a choice of five or more wireless providers.

Moreover, the agency's claimed inability to define effective competition in the mobile wireless market stands in stark contrast to its approach to the video market, where the Commission recently adopted a presumption that cable operators are subject to effective competition. In the video market there are two nationwide providers and myriad local and regional providers. Whereas in the mobile wireless market there are four nationwide providers, more than one hundred regional providers (some of whom have overlapping coverage areas), and non-facilities based options that also provide retail competition. Interestingly, the FCC failed to present any evidence that the video market is less complex than the market for mobile wireless services or offer any data or analysis to justify treating "effective competition" differently in these two communications markets.

Just last week, the agency issued its annual Broadband Progress Report at its January 28, 2016 Open Meeting. In it, the FCC again concludes that "advanced telecommunications capability is not being deployed in a reasonable and timely fashion to all Americans." The lead factor supporting your conclusion is that "[a]pproximately 34 million Americans still lack access

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to fixed broadband at the FCC's benchmark speed of 25 Mbps for downloads, 3 Mbps for uploads."

To help us understand the FCC's decision-making and the impact of the FCC's shifting definitions of broadband and effective competition, we request your responses to the following questions no later than February 19, 2016:

- 1. Please describe how the Commission has taken action to accelerate the deployment of broadband by removing barriers to infrastructure investment or promoting competition:
  - a. When the FCC changed the definition of broadband in 2010, what barriers to infrastructure investment were removed and how did the change promote competition? What specific improvements to broadband acceleration resulted from the FCC's actions?
  - b. In light of the Commission's conclusion that 25 Mbps broadband is not being timely deployed, what "immediate action" are you prepared to take to remove barriers to infrastructure investment and promote competition? Please describe the specific steps and your proposed timetable.
- Please explain why the FCC settled at 25 Mbps downstream/3 Mbps upstream for the definition of broadband, including the facts about the market that led you to conclude that 25 Mbps is the appropriate minimum threshold to qualify as broadband. Please explain what specific factors led you to conclude that 4 Mbps downstream and 1 Mbps upstream was insufficient.
- 3. Please identify all contexts and instances in which the FCC defines broadband. Why does the Commission not have a definition of broadband that it applies consistently?
- 4. Please describe in detail why the Commission does not have a definition of competition that it applies consistently? How many choices in a given market would lead the Commission to find mobile wireless service effectively competitive? Please explain in detail why the Commission continues to fail to make a competitive finding for the wireless market?

We appreciate your assistance with these requests and ask for your response no later than ten days from the date of this letter. If you or your staff have any questions, please feel free to contact David Redl of the Committee staff at (202) 225-2927.

Thank you for your cooperation in this matter.

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Sincerely,

Greg Walten Chairman

Subcommittee on Communications and Technology

cc: The Honorable Frank Pallone, Jr., Ranking Member

The Honorable Anna G. Eshoo, Ranking Member Subcommittee on Communications and Technology



### FEDERAL COMMUNICATIONS COMMISSION WASHINGTON

February 26, 2016

The Honorable Fred Upton Chairman Committee on Energy and Commerce U.S. House of Representatives 2125 Rayburn House Office Building Washington, D.C. 20515

Dear Chairman Upton:

Thank you for your letter regarding the Commission's assessment and reporting on the state of broadband deployment, the level of video competition, and the level of effective competition in the nation's mobile wireless market, as required by the Communications Act of 1934, as amended. Attached please find responses to your written questions.

The guiding principle of the Commission's broadband policy, as set forth by Congress, is that all Americans should have access to robust broadband services, no matter where they live. As I have said before, broadband is the most powerful and pervasive network in the history of the planet. Broadband networks are a key driver of economic and social activity today, connecting consumers across the country to one another and to new job opportunities, educational enrichment, health care services and civic engagement. This is particularly true for small and rural communities, where affordable access to high quality broadband can be the difference between economic decline and a vibrant future.

As you know, Section 706 of the Telecommunications Act of 1996 charges the Commission with ensuring that advanced telecommunications capability is being deployed to all Americans in a reasonable and timely fashion. Promoting competition and fueling consumer demand are the best tools to get us to that critical goal. I remain fully committed to taking steps to remove barriers to investment in order to encourage competition and accelerate broadband deployment throughout the country.

Please let me know if I can be of any further assistance.

Sincerely,

Tom Wheeler

#### **Responses to Questions**

Question 1(a) – When the FCC changed the definition of broadband in 2010, what barriers to infrastructure investment were removed and how did the change promote competition? What specific improvements to broadband acceleration resulted from the FCC's actions?

Since becoming Chairman of the Commission in 2013, one of my chief objectives has been to promote competition and removing barriers to investment to encourage and accelerate broadband deployment. As you note, in the 2010 Sixth Broadband Progress Report, which was released under the Chairmanship of my predecessor, Julius Genachowski, the Commission updated the speed benchmark for advanced telecommunications capability from 200 kilobits per second (kbps) in both directions to 4 megabits per second (Mbps) download and 1 Mbps upload (4 Mbps/1 Mbps). The Commission's analysis recognized that technologies, retail offerings, and demand among consumers evolved in ways that required increasing amounts of bandwidth. The Commission thus adopted the minimum speed threshold of the national broadband availability target proposed in the National Broadband Plan.<sup>2</sup>

Since the 2010 Sixth Broadband Progress Report, the Commission has continued its efforts to implement proposals set forth in the National Broadband Plan. These efforts include modernizing the E-rate program and transforming the federal universal service fund program (USF) and intercarrier compensation (ICC) system to make broadband more widely available and affordable in high-cost service areas.<sup>3</sup> The Commission has also taken steps to reduce barriers to infrastructure investment and promote competition that have resulted in increased broadband deployment. For example:

 In 2011, the Commission launched the Broadband Acceleration Initiative, through which the Commission, with its partners in state and local governments, reduced obstacles to

<sup>&</sup>lt;sup>1</sup> Inquiry Concerning the Deployment of Advanced Telecommunications Capability to All Americans in a Reasonable and Timely Fashion, and Possible Steps to Accelerate Such Deployment Pursuant to Section 706 of the Telecommunications Act of 1996, as Amended by the Broadband Data Improvement Act; A National Broadband Plan for our Future, GN Docket Nos. 09-137, 09-51, Sixth Broadband Deployment Report, 25 FCC Rcd 9556, 9562-63, paras. 10-11 (2010) (2010 Sixth Broadband Progress Report).

<sup>&</sup>lt;sup>2</sup> *Id.* at 9559, para. 5; *see also* FCC, Omnibus Broadband Initiative (OBI), Connecting America: The National Broadband Plan, GN Docket No. 09-51 at 135 (2010) (National Broadband Plan).

<sup>&</sup>lt;sup>3</sup> See, e.g., Schools and Libraries Universal Service Support Mechanism; A National Broadband Plan for Our Future, CC Docket No. 02-6, GN Docket No. 09-51, Sixth Report and Order, 25 FCC Rcd 18762, 18764–65, para. 6 (2010); Connect America Fund; A National Broadband Plan for Our Future; Establishing Just and Reasonable Rates for Local Exchange Carriers; High-Cost Universal Service Support; Developing an Unified Intercarrier Compensation Regime; Federal-State Joint Board on Universal Service; Lifeline and Link-Up, CC Docket Nos. 96-45, 01-92, GN Docket No. 09-51, WC Docket Nos. 03-109, 05-337, 07-135, 10-90, Notice of Proposed Rulemaking and Further Notice of Proposed Rulemaking, 26 FCC Rcd 4554, 4560–61, para. 10 (2011) (Connect America Fund NPRM).

- broadband deployment, such as barriers to accessing utility poles and rights of way and to collocating and siting wireless antennas and towers.<sup>4</sup>
- In 2011, the Commission also adopted the *Pole Attachment Order*, which adopted a
  pricing methodology that lowered the pole attachment rate for wireline, wireless, and
  cable companies' broadband attachments to a level closer to the rate paid by cable
  providers, thus encouraging broadband competition and investment.<sup>5</sup>
- In 2011, the Commission also adopted the USF/ICC Transformation Order, which
  targeted the \$4.5 billion spent annually to ensure rural connectivity towards support for
  fixed and mobile voice and broadband facilities in areas that would otherwise not have
  service, including rural and insular areas, and on Tribal lands.<sup>6</sup>
- In 2012, the Commission adopted the Rural Health Care Reform Order and created the Healthcare Connect Fund to expand health care provider access to broadband, particularly in rural areas, and to encourage the deployment of state and regional broadband health care networks.<sup>7</sup>
- In 2014, with the adoption of both the E-rate Modernization Order and the Second E-rate
  Modernization Order, the Commission made advancements to modernize the E-rate
  program by adopting goals for the program, including ensuring affordable access to highspeed broadband sufficient to support digital learning for schools and robust connectivity
  for libraries and corresponding connectivity targets to measure progress toward that
  goal.<sup>8</sup>

<sup>&</sup>lt;sup>4</sup> The FCC's Broadband Acceleration Initiative Reducing Regulatory Barriers to Spur Broadband Buildout, Public Notice (Feb. 9, 2011) (Broadband Acceleration Initiative), available at <a href="http://www.fcc.gov/Daily">http://www.fcc.gov/Daily</a> Releases/Daily Business/2011/db0209/DOC-304571A2.pdf.

<sup>&</sup>lt;sup>5</sup> Implementation of Section 224 of the Act, A National Broadband Plan for Our Future, WC Docket No. 07-245, GN Docket No. 09-51, Report and Order and Order on Reconsideration, 26 FCC Rcd 5240 (2011); see also Implementation of Section 224 of the Act, A National Broadband Plan for Our Future, WC Docket No. 07-245, GN Docket No. 09-51, Order on Reconsideration, 30 FCC Rcd 13731 (2015) (amending the Commission's rules defining cost for the purpose of calculating the rates that telecommunications carriers pay for pole attachment, which built on the Commission's prior efforts to further broadband deployment by harmonizing pole attachment rates that cable and telecommunications service providers pay utility pole owners).

<sup>&</sup>lt;sup>6</sup> Connect America Fund; A National Broadband Plan for Our Future; Establishing Just and Reasonable Rates for Local Exchange Carriers; High-Cost Universal Service Support; Developing an Unified Intercarrier Compensation Regime; Federal-State Joint Board on Universal Service; Lifeline and Link-Up; Universal Service Reform—Mobility Fund, WC Docket Nos. 10-90, 07-135, 05-337, 03-109, GN Docket No. 09-51, CC Docket Nos. 01-92, 96-45, WT Docket No. 10-208, Report and Order and Further Notice of Proposed Rulemaking, 26 FCC Rcd 17663 (2011) (USF/ICC Transformation Order)..

<sup>&</sup>lt;sup>7</sup> Rural Health Care Support Mechanism, WC Docket No. 02-60, Report and Order, 27 FCC Rcd 16678 (2012).

<sup>8</sup> Modernizing the E-Rate Program for Schools and Libraries, Report and Order and Further Notice of Proposed Rulemaking, 29 FCC Rcd 8870 (2014) (E-rate Modernization Order); Modernizing the E-rate Program for Schools and Libraries, WC Dockets No. 13-184, 10-90, Second Report and Order and Order on Reconsideration, 29 FCC Rcd 15538 (2014) (Second E-rate Modernization Order).

- Moreover, since July 2014, through the Mobility Fund, the Commission's Bureaus have authorized universal service support to five winning auction bidders and initial disbursements have been made totaling \$16.6 million.<sup>9</sup>
- In 2015, the Commission also released the Emerging Wireline Networks and Services
  Order, adopting policies to encourage the ongoing transition to next-generation
  communications networks while ensuring that consumers are able to make informed
  choices; that new retail services meet consumers' fundamental needs; and competition
  continues to thrive.<sup>10</sup>
- In 2015, the Commission adopted the Rate Parity Order on Reconsideration, which
  removes any rate imbalance that would disfavor investment where pole attachments are
  federally regulated, and any disruption of investment in rural areas that might result from
  a large and sudden increase in pole attachment rates.<sup>11</sup>
- In 2015, the Commission also adopted the 2015 Open Internet Order to support the Internet's virtuous cycle of investment and innovation by ensuring the continued freedom and openness of the Internet, which will drive further broadband investment and deployment.<sup>12</sup>

These and other Commission actions have led to increased investment and broadband deployment. For example, the Commission reported in the 2011 Seventh Broadband Progress Report that the communications industry made great strides to bring better and faster broadband to most Americans by investing tens of billions of dollars annually in the networks that make broadband possible. Investment and deployment of faster broadband speeds have continued to increase. For example, several wireless providers have built-out nationwide fourth-generation (4G) mobile broadband networks. Moreover, in the 2015 Broadband Progress Report, the Commission reported that wireless providers in the U.S. have spent more than \$134 billion in capital investments during the past five years, and incremental capital investment by wireless

<sup>&</sup>lt;sup>9</sup> Tribal Mobility Fund Phase I Support authorized public notices are available for support at the Commission's Auction 902 website, http://wireless.fcc.gov/auctions/902P.

<sup>&</sup>lt;sup>10</sup> Technology Transitions et al., Report and Order, Order on Reconsideration, and Further Notice of Proposed Rulemaking, 30 FCC Rcd 9372 (2015).

<sup>&</sup>lt;sup>11</sup> See generally Implementation of Section 224 of the Act; A National Broadband Plan for Our Future, WC Docket No. 07-245; GN Docket No. 09-51, Order on Reconsideration, 30 FCC Rcd 13731 (2015).

<sup>&</sup>lt;sup>12</sup> Protecting and Promoting the Open Internet, Report and Order on Remand, Declaratory Ruling, and Order, 30 FCC Rcd 5601 (2015) (2015 Open Internet Order). The Order is currently in effect, pending judicial review in the D.C. Circuit Court of Appeals following legal challenge by a coalition of broadband service providers in U.S. Telecom Ass'n v. FCC et al., docket No. 15-1063

<sup>&</sup>lt;sup>13</sup> 2011 Seventh Broadband Progress Report, 26 FCC Rcd at 8010-11, para. 3; see also Eighth Broadband Progress Report, 27 FCC at 10344, para. 2 (stating that "[t]hese providers invest tens of billions of dollars annually in the networks that make broadband possible, and since the 1996 Act, they are reported to have invested more than \$1 trillion dollars combined.").

<sup>&</sup>lt;sup>14</sup> 2011 Seventh Broadband Progress Report, 26 FCC Rcd at 8010-11, para. 3.

providers rose by more than 10 percent from 2012 to 2013 to \$33.1 billion. In the most recent 2016 Broadband Progress Report, the Commission reported that Verizon continues to invest in its FiOS network, which passes almost 20 million households and is testing next-generation 10 gigabits per second (Gbps) speeds over its all-fiber network. In addition, AT&T has invested to expand its wireline IP broadband network to 57 million customer locations and extend fiber to 725,000 business locations and CenturyLink has also invested in the launch of 1 Gbps broadband service to 17 cities.

The Commission applauded this progress in our 2016 Broadband Progress Report, recognizing that "actions of the Commission and the private sector have done much to accelerate the deployment of advanced telecommunications capability." The Commission concluded, however, that more needs to be done and that it must continue its work to remove barriers to broadband deployment, competition, and adoption.

Question 1b. In light of the Commission's conclusion that 25 Mbps broadband is not being timely deployed, what "immediate action" are you prepared to take to remove barriers to infrastructure investment and promote competition? Please describe the specific steps and your proposed timetable.

The Commission will continue to work to remove barriers to deployment and promote competition. This work will be reflected in part by direct support, and in part by identifying and helping to reduce potential obstacles to deployment, competition, and adoption—concepts that the Commission continues to recognize are tightly linked. For example:

- Supporting Broadband Deployment through Technology Transitions. The Commission is reviewing the record in response to the Emerging Wireline Networks and Services
  Further Notice of Proposed Rulemaking in which the Commission sought comment on establishing clear standards to streamline transitions to an all-IP environment. The Commission has proposed taking action to provide carriers the guidance and clarity they need to implement new technologies at scale as quickly as possible.<sup>18</sup>
- Lifeline and Broadband. The Commission will continue improving access to broadband
  for our nation's most vulnerable populations through the Lifeline program, which
  provides discounted voice telephony service to qualifying low-income consumers.

<sup>15 2015</sup> Broadband Progress Report, 30 FCC Rcd at 1383-84, para. 16.

<sup>&</sup>lt;sup>16</sup> Inquiry Concerning the Deployment of Advanced Telecommunications Capability to All Americans in a Reasonable and Timely Fashion, and Possible Steps to Accelerate Such Deployment Pursuant to Section 706 of the Telecommunications Act of 1996, as Amended by the Broadband Data Improvement Act, GN Docket No. 15-191, 2016 Broadband Progress Report, FCC 16-6, para. 138 (Jan. 29, 2016) (2016 Broadband Progress Report).

<sup>17</sup> Id., para. 6.

<sup>&</sup>lt;sup>18</sup> Technology Transitions et al., Report and Order, Order on Reconsideration, and Further Notice of Proposed Rulemaking, 30 FCC Rcd 9372 (2015).

Specifically, the Commission is reviewing the record in response to the 2015 Lifeline Further Notice, which proposes to support broadband service through the Lifeline program while also proposing several important measures to reduce burdens on carriers providing Lifeline service, minimize burdens on ratepayers supporting the program, and to further curtail waste, fraud, and abuse in the program.<sup>19</sup>

- Broadband in Rural Areas. The Commission continues incenting the deployment of broadband in rural areas by implementing the reforms adopted by the Commission in the 2011 USF/ICC Transformation Order and subsequent Connect America and related orders, which comprehensively reformed and modernized the high-cost program within the universal service fund to support networks capable of providing voice and broadband services, both fixed and mobile, to all Americans throughout the nation. The Commission will also continue its efforts to ensure access to robust and affordable mobile voice and broadband service through the implementation of the Mobility Fund, which uses auctions as a mechanism for distributing universal service support.<sup>20</sup>
- Proposed Rate of Return Reform Order. Most recently, I circulated an Order in February
  to modernize universal support for rate-of-return carriers. The proposed Order is the
  result of considered bi-partisan efforts to craft a solution that supports standalone
  broadband, ensures efficient use of universal service funding, and creates stability and
  certainty in the program. A fundamental component of the proposed Order are provisions
  to ensure that universal service support will be used to connect those rural Americans that
  remain unserved today.

Question 2: Please explain why the FCC settled at 25 Mbps downstream/3 Mbps upstream for the definition of broadband, including the facts about the market that led you to conclude that 25 Mbps is the appropriate minimum threshold to qualify as broadband. Please explain what specific factors led you to conclude that 4 Mbps downstream and 1 Mbps upstream was insufficient.

Section 706(b) of the Telecommunications Act of 1996 requires the Commission to conduct an annual inquiry into "the availability of advanced telecommunications capability to all Americans." In the 2015 Broadband Progress Report, the Commission increased the then-existing 4 Mbps download/1 Mbps upload benchmark for advanced telecommunications capability, which had been in place since 2010, to 25 Mbps download/3 Mbps upload.<sup>22</sup>

<sup>22</sup> 2015 Broadband Progress Report, 30 FCC Rcd at 1393, para. 26.

<sup>&</sup>lt;sup>19</sup> See Lifeline and Link Up Reform and Modernization et al., WC Docket No. 11-42 et al., Second Further Notice of Proposed Rulemaking, Order on Reconsideration, Second Report and Order, and Memorandum Opinion and Order, 30 FCC Rcd 7818 (2015).

<sup>&</sup>lt;sup>20</sup> Mobility Fund Phase I annual reports are available for viewing via the Commission's Electronic Comment Filing System (ECFS), <a href="http://apps.fcc.gov/ecfs/">http://apps.fcc.gov/ecfs/</a>, by entering the docket number, WT No. 10-208.

<sup>&</sup>lt;sup>21</sup> 47 U.S.C. § 1302(b). The purpose of this inquiry is to "determine whether advanced telecommunications capability is being deployed to all Americans in a reasonable and timely fashion." *Id*.

It is important to note that the 25 Mbps/3 Mbps speed benchmark is not a definition of "broadband." Rather, the benchmark is used to measure the deployment of those broadband services that are able to provide Americans with "advanced telecommunications capability." As the Commission explained in the 2016 Broadband Progress Report, "advanced telecommunications capability is a statutory term with a definition that differs from, and in fact includes, the term 'broadband." In the Telecommunications Act of 1996, Congress entrusted the Commission with the task of interpreting terms, including "advanced," "high-speed," and "high-quality," and determining which broadband services provide "advanced telecommunications capability." 25

The Commission's determination to set the 25 Mbps/3 Mbps benchmark was based on the speeds required to use high-quality video, data, voice, and other commonly used broadband applications, factoring in the needs of multiple simultaneous users in the average American household, and the increasing adoption by consumers of bandwidth-intensive services, such as HD video streaming.<sup>26</sup> The 25 Mbps/3 Mbps benchmark was also supported by prevailing trends in the broadband market, which demonstrated that providers were marketing 25 Mbps/3 Mbps services as appropriate to serve the needs of a typical household,<sup>27</sup> and by data showing rapidly increasing migration to services at or above 25 Mbps/3 Mbps by consumers, where such services were available.<sup>28</sup> In light of these trends, the Commission determined that 4 Mbps/1 Mbps no longer provided American households with sufficient bandwidth to make full use of "advanced" telecommunications services, including HD video streaming and video calling, online gaming, telehealth and telemedicine applications.<sup>29</sup>

<sup>23</sup> See 47 U.S.C. § 1302(b).

<sup>&</sup>lt;sup>24</sup> See 2016 Broadband Progress Report at 2, para 1 n.1; see also Inquiry Concerning the Deployment of Advanced Telecommunications Capability to All Americans in a Reasonable and Timely Fashion, and Possible Steps to Accelerate Such Deployment Pursuant to Section 706 of the Telecommunications Act of 1996, as Amended by the Broadband Data Improvement Act, GN Docket No. 15-191, Eleventh Broadband Progress Notice of Inquiry, 30 FCC Rcd 8823, 8824 n. 3 (2015); 2015 Broadband Progress Report, 30 FCC Rcd at 1375, para. 1 n.1. Pursuant to section 706(d), "advanced telecommunications capability is defined, without regard to any transmission media or technology, as high-speed, switched, broadband telecommunications capability that enables users to originate and receive high-quality voice, data, graphics, and video telecommunications using any technology." 47 U.S.C. § 1302(d)(1).

<sup>&</sup>lt;sup>25</sup> See 47 U.S.C. § 1302(b), (d)(1); see also 2016 Broadband Progress Report at 7, para. 13.

<sup>&</sup>lt;sup>26</sup> 2015 Broadband Progress Report, 30 FCC Rcd at 1395-1401, paras. 29-40.

<sup>&</sup>lt;sup>27</sup> Id. at 1394, 1400, paras. 28, 38.

<sup>28</sup> Id. at 1401-03, paras. 41-44.

<sup>&</sup>lt;sup>29</sup> Id. at 1403-04, paras, 45-47.

# Question 3: Please identify all contexts and instances in which the FCC defines broadband. Why does the Commission not have a definition of broadband that it applies consistently?

The Commission has a responsibility within the context of its various efforts to maximize the availability and adoption of broadband to establish appropriate broadband service measurements. Different statutory directives and contexts, however, may call for different metrics. For example, as discussed above, in reaching a determination under section 706(b), the Commission has established, consistent with the statutory definition, a measurement for advanced broadband based on the deployment and availability of broadband services that "enable[] users to originate and receive high-quality voice, data, graphics, and video telecommunications using any technology," as required by section 706(b) of the Telecommunications Act of 1996.

Another example is the Commission's Connect America Fund proceeding. This proceeding is focused on supporting the deployment of broadband-capable networks to high-cost areas. Here, the measurement for broadband is necessarily different than that measurement established for advanced telecommunications capability in the Broadband Progress Report. This difference can be attributed to the fact that the Connect America Fund proceeding is responding to the statutory goal of universal service. Section 254 of the Telecommunications Act of 1996 directs the Commission to base its policies on the principle that consumers in rural, insular and high-cost areas of the country have access to advanced telecommunications and information services that are reasonably comparable to those services in urban areas, at reasonably comparable rates. The Commission works with available funds in order to extend broadband availability to areas where the marketplace alone does not currently provide even a minimum level of service, focusing on areas that face geographical challenges with deploying in relatively un-populated areas that lack high speed, high capacity infrastructure. The Commission has required carriers receiving Connect America Fund support to provide, at a minimum, service of 10 Mbps/1 Mbps, and we expect many locations will receive higher speeds. The broadband speeds supported by universal service will always be an evolving standard. We already have in place initiatives that will support faster service—for example, a number of our Rural Broadband Experiment winners will offer 25Mbps/5 Mbps or better.

Your letter also notes the Commission's 2015 Open Internet Order, which adopted rules to protect and promote the open Internet for all Americans—today and into the future. In that Order, the Commission defined "broadband Internet access service" functionally as a "mass-market retail service by wire or radio that provides the capability to transmit data to and receive data from all or substantially all Internet endpoints . . . . "30 This approach reflects a view that consumers of broadband Internet access services—of all speeds—are entitled to a free and open Internet.

<sup>30 2015</sup> Open Internet Order, 30 FCC Rcd at 5682, para. 187.